



PROGRAM OVERVIEW

The **SANDY HOMEBUYER ASSISTANCE PROGRAM** will provide low and moderate income households the opportunity to purchase a home by providing a financial incentive. Qualified borrowers are eligible to receive a **forgivable, INTEREST-FREE loan of up to \$50,000!*** There are no required monthly payments, and the loan is forgiven in full after five years.

HOW DO I KNOW IF I AM ELIGIBLE FOR THIS PROGRAM?

- Purchase a home in any of the nine Sandy-impacted counties: Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean or Union
- Have a minimum credit score of 620
- *HUD income limits and other restrictions apply. *See the Sandy Homebuyer Assistance Program/HUD Income Limits Chart below. Applicants' household income must not exceed these limits. Applicants must work with an approved counseling agency and must pre-qualify for a first mortgage from an HMFA-approved lender.*

HOW DO I APPLY?

Starting the process is as simple as 1, 2, 3!

1. Log on to the Sandy Homebuyer Assistance Program webpage at <http://www.njhousing.gov/homeownership/buyers/shap>
2. Complete the preliminary application located on the site.
3. A contracted housing counseling agency will contact you directly to schedule an appointment.

If you do not have access to a computer, the hotline representatives at **1-855-SANDYHM (726-3946)** will be glad to assist you with the process.

Sandy Homebuyer Assistance Program/HUD Income Limits - Organized by County and Household Size

County	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
Atlantic	\$47,050	\$53,750	\$60,450	\$67,150	\$72,550	\$77,900	\$83,300	\$88,650
Bergen	\$50,900	\$58,200	\$65,450	\$72,700	\$78,550	\$84,350	\$90,150	\$96,000
Cape May	\$41,800	\$47,800	\$53,750	\$59,700	\$64,500	\$69,300	\$74,050	\$78,850
Essex	\$45,100	\$51,550	\$58,000	\$64,400	\$69,600	\$74,750	\$79,900	\$85,050
Hudson	\$43,200	\$49,400	\$55,550	\$61,700	\$66,650	\$71,600	\$76,550	\$81,450
Middlesex	\$58,200	\$66,500	\$74,800	\$83,100	\$89,750	\$96,400	\$103,050	\$109,700
Monmouth	\$46,050	\$52,600	\$59,200	\$65,750	\$71,050	\$76,300	\$81,550	\$86,800
Ocean	\$46,050	\$52,600	\$59,200	\$65,750	\$71,050	\$76,300	\$81,550	\$86,800
Union	\$45,100	\$51,550	\$58,000	\$64,400	\$69,600	\$74,750	\$77,900	\$85,050



This program is made possible by funding from the U.S. Department of Housing and Urban Development's Community Development Block Grant Disaster Recovery Program. The Sandy Homebuyer Assistance Program fund is being administered by the New Jersey Housing and Mortgage Finance Agency (HMFA). HMFA is a self-sufficient agency of state government that is dedicated to offering New Jersey residents affordable and accessible housing. HMFA receives no state appropriation.



FREQUENTLY ASKED QUESTIONS

WHAT IS THE SANDY HOMEBUYER ASSISTANCE PROGRAM?

The State of New Jersey received an allocation of \$25 million in CDBG-DR (Community Development Block Grant – Disaster Recovery) funds to provide an increased opportunity for low and moderate income households [80% HUD AMI] to purchase homes in the nine (9) counties most severely impacted by Superstorm Sandy: Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean and Union.

HOW DOES IT BENEFIT ME?

Applicants who meet the eligibility criteria for the Sandy Homebuyer Assistance Program will be eligible to receive an incentive of up to \$50,000 to reduce the purchase price on a home in one of the nine (9) counties most severely impacted by Superstorm Sandy.

IS THIS A MORTGAGE?

This program will provide a forgivable subordinate mortgage. This means that as long as the applicant abides by the terms of the Sandy Homebuyer Assistance Program, including maintaining the home as their primary place of residence for a five (5) year period, the assistance will be forgiven. There are no monthly payments on this mortgage.

WHO IS ELIGIBLE FOR THIS PROGRAM?

To be eligible, applicants must meet the following eligibility requirements:

- 90 Day Pilot Program: From July 25th to October 25th 2013, applicants must provide proof of residency in one of the nine (9) counties at time of application. After October 25th, anyone purchasing a home in the nine counties may apply.
- Must purchase a home located in one of the nine (9) counties most severely impacted by Superstorm Sandy.
- Must meet CDBG low and moderate income ("LMI") guidelines (less than or equal to 80% AMI). *Refer to the income limits chart on the opposite page for details.*
- Must have minimum credit score of 620.
- Must qualify for first mortgage to purchase the unit.

HOW DO I APPLY FOR THE PROGRAM?

Online: Beginning July 26, 2013, applicants will be able to submit a pre-application by visiting the NJ Housing and Mortgage Finance Agency (HMFA) website at <http://www.njhousing.gov/homeownership/buyers/shap>

By Phone: Applicants may call the reNewJerseyStronger Call Center at **1-855-SANDYHM (726-3946)** and a representative will complete an online application for your household.

HOW DO I CONTACT A HOUSING COUNSELOR TO BEGIN THE PROCESS?

Once pre-applications have been submitted, housing counselors will contact each household. Applicants will not need to contact the housing counselors directly.

CAN I USE ANY BANK OR FINANCE COMPANY FOR MY MORTGAGE?

Only HMFA-approved lenders can be used to obtain a mortgage for this program. The list of HMFA-approved lenders can be found online at <http://www.njhousing.gov/includes/lender.html>

WILL I RECEIVE THE FULL \$50,000 AWARD TO PURCHASE MY HOME?

The maximum award a household may receive is \$50,000, but that award may be adjusted to meet certain requirements based on other financial assistance you may receive to purchase your home.

WILL I RECEIVE THE MONEY DIRECTLY?

No, this award is meant to help reduce the price of the home to be purchased. This award will not be received as cash to the applicant.



SANDY HOMEBUYER ASSISTANCE PROGRAM

OFFICIAL PROGRAM FACT SHEET

PROGRAM OVERVIEW

The Sandy Homebuyer Assistance Program (the "Program") will provide low and moderate income households the opportunity to purchase a home by providing financial incentive to do so. The Program will provide an affordable alternative to leasing and will assist in providing a market for new, rebuilt and restored homes.

PROGRAM GOALS

The goal of the Program is to provide increased opportunity for low and moderate income households affected by Superstorm Sandy to purchase homes rather than attempting to find rental units in increasingly expensive leasing markets.

TARGET POPULATION OR AREAS

The Program is designed to provide assistance to eligible New Jersey residents in the counties of Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean and Union (the "nine counties") impacted by Superstorm Sandy. These nine counties are identified by HUD as New Jersey's most impacted and distressed areas.

PROGRAM ALLOCATION

\$25,000,000 of Community Development Block Grant - Disaster Recovery (CDBG-DR) funds received by HMFA (the "Agency") from the New Jersey Department of Community Affairs (DCA).

BORROWER ELIGIBILITY CRITERIA

- For the first 90 days from the start date of the Program, applicants will be limited to those who provide proof of residency in the nine counties at the time of application.
- After the initial 90 days, the Program will be open to anyone purchasing a home in the nine counties.
- Applicants must meet CDBG low and moderate income ("LMI") guidelines (less than or equal to 80% AMI).
- Applicants must have a minimum credit score of 620.
- Applicants must qualify for a first mortgage to purchase the unit.
- Applicant cannot own other real estate.

PROPERTY/LOAN ELIGIBILITY CRITERIA

Eligible property must be the homeowner's primary residence located in one of the nine counties and must be a one family residential property. It may be attached or detached or be a condominium unit. Manufactured homes are eligible if on a foundation permanently affixed to real property owned by the homeowner and secured by a real property first mortgage loan.

STRUCTURE OF ASSISTANCE

Program assistance will be secured by a 0% non-amortizing (no monthly payments) five (5) year subordinate mortgage, taking any lien position, placed on the property at the time of closing of the first mortgage loan.

Beginning at the first anniversary of the date of the loan, the loan amount will be forgiven at a rate of 20% a year, to be forgiven in full on the 6th anniversary date of the loan. During the first five (5) years, the outstanding amount of the loan will be due and payable from net proceeds upon sale, transfer of title, or cash-out refinance (refinances for more favorable rate and/or term are permissible) or if the borrower ceases to occupy the property. No further subordination will be approved except for allowable refinances. Loan proceeds returned to the Program will be recycled to assist other homeowners.

PER HOUSEHOLD ASSISTANCE

The maximum assistance is \$50,000 per household.

DURATION OF PROGRAM

Until Program funds are exhausted.

ESTIMATED NUMBER OF PARTICIPATING HOUSEHOLDS

500 households at \$50,000 per Program assistance loans.

PROGRAM INCEPTION/DURATION

The launch of the Program is anticipated to begin July 25, 2013.

CONTACT INFORMATION

Visit www.njhousing.gov or call 1-855-SANDYHM (726-3946).

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